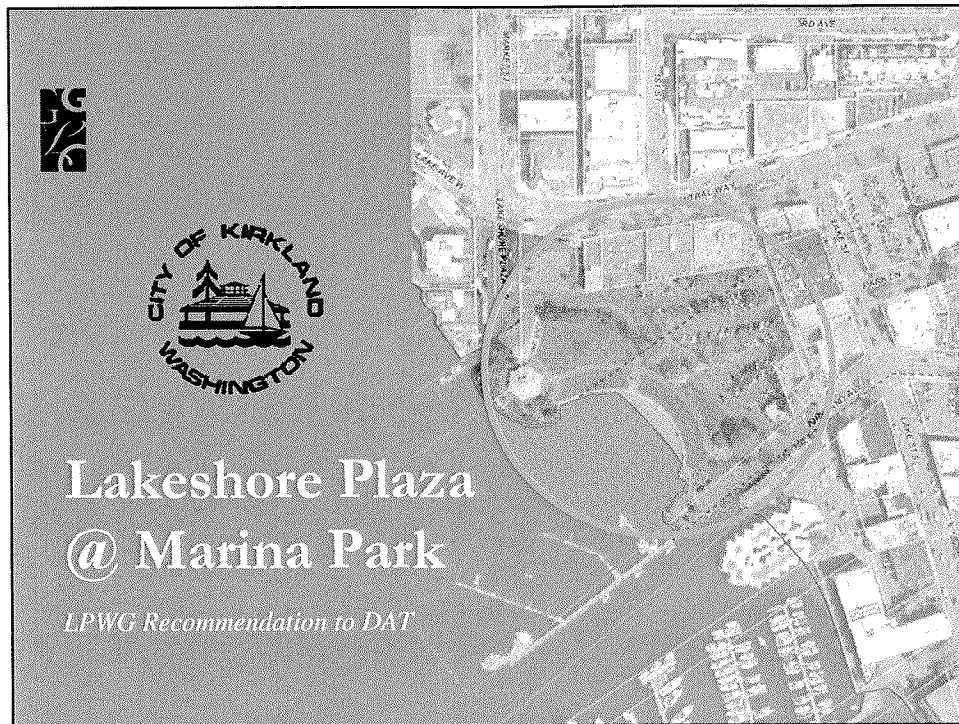


## **8.4 PPT: LPWG Recommendation to DAT**

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|  |   |
|--|---|
|  | <h2>Introduction</h2>   |
|  | <p>“...create the finest <b>community gathering place</b> in the region--a <b>waterfront plaza</b> and <b>park</b> in the heart of our pedestrian-oriented downtown... <b>reorient the downtown to the lake</b> by building a structural lid over the existing Marina Park parking lot with a significant public plaza on top and an expanded <b>parking garage</b> below.”</p> <div data-bbox="431 1593 1224 1772"> </div> |

## Introduction

Lakeshore Plaza  
@ Marina Park



### Lakeshore Plaza Guiding Principles:

- Maintain consistency with the vision of the Downtown Strategic Plan.
- Develop a vision and plan around broad community consensus and support.
- Create a concept that reflects downtown's unique character and its commitment to the arts.
- Serve to enhance and enlarge Marina Park.
- Design a place that comfortably accommodates its users.
- Create a place that is "owned" by the entire community.
- Promote environmentally sound solutions.
- Create a project that is economically feasible and sustainable.
- Pursue opportunities to increase the supply of public parking.
- Pursue design solutions that create connections rather than barriers.
- Minimize disruption of existing downtown activities.
- Strengthen and promote retail activity in the downtown.

## Process

Lakeshore Plaza  
@ Marina Park



- LPWG has met 12 times since June 2003
- Hosted 3 Community Workshops
  - March 9<sup>th</sup> – Vision and Values (approx. 120 attendees)
  - May 17<sup>th</sup> – Design Options (approx. 70 attendees)
  - July 12<sup>th</sup> – Preferred Design Alternative (approx. 200 attendees)
- Met with surrounding owners three times
- Met with Cultural Council, Park Board, Planning Commission
- Mid-point check-in at City Council study session
- Joint meeting with DAT
- Extended meeting request to all neighborhoods. Invited and met with KAN, Moss Bay, South Rose Hill/Bridle Trails, Lakeview, North Rose Hill, Market
- Public information:
  - 2 public notice boards on-site
  - 3 City update articles
  - 2 inserts in Kirkland Courier (24,000 each)
  - Postcards to City lists and surrounding residential and retail owners
  - Project website
  - KDL newsletters
  - Emails and neighborhood listserves
  - Articles in Seattle and eastside papers

## Public Meeting #1 Summary



### Public Meeting One Goal:

- Listen to participants opinions and visions of character, use, and future of the Plaza/Present analysis and findings

### Public Meeting One Findings:

- Create a vibrant pedestrian oriented destination that embraces the waterfront and downtown
- Preserve the sense of openness and views
- Preserve use for community events
- Create a safe year-round destination for all
- Create a place that reflects the character of Kirkland

Lakeshore Plaza  
@ Marina Park  
PCD



## Public Meeting #2 Summary



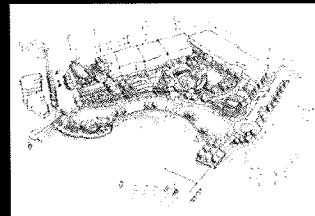
### Public Meeting Two Goal:

- Present and discuss concept design options

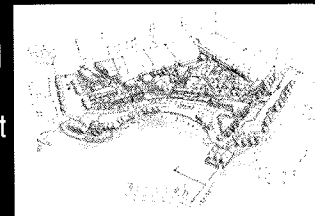
### Public Meeting Two Findings:

- Create an active and more formal environment softened with naturalistic planting
- Constructing a new pavilion that better serves the community is o.k.
- Modify the amphitheater to have both hard and soft seating
- Linking the Plaza to downtown is important – develop gateways and multiple access points
- The Plaza should feel 'public'

Lakeshore Plaza  
@ Marina Park  
PCD



Option 1: Informal



Option 2: Formal

## Preferred Alternative

Lakeshore Plaza  
@ Marina Park



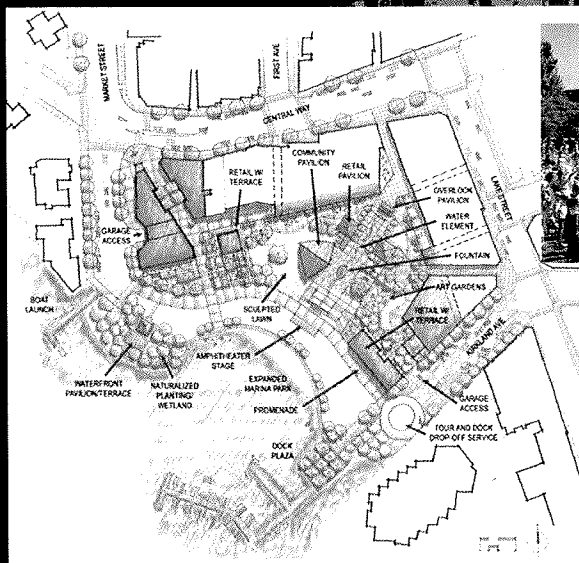
### Spirit of Lakeshore Plaza Concept Design:

- Community workshops confirmed Guiding Principles & emphasized:
  - Enhancing existing Marina Park
  - Active pedestrian environment
  - Integrating into existing character and patterns
  - Providing appropriate and active retail
  - Community orientation
  - Connections



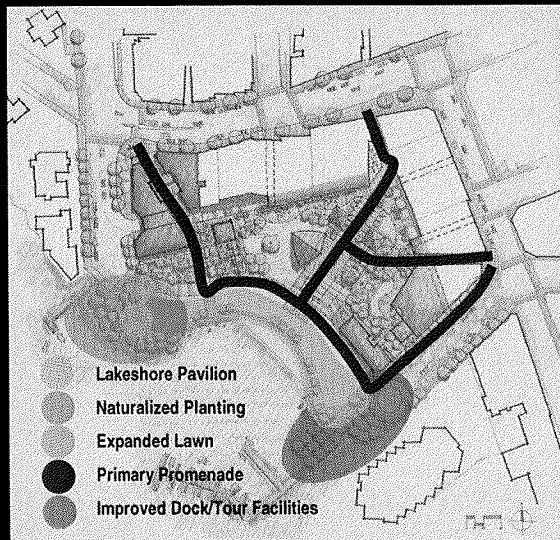
## Preferred Alternative – Primary Elements

Lakeshore Plaza  
@ Marina Park



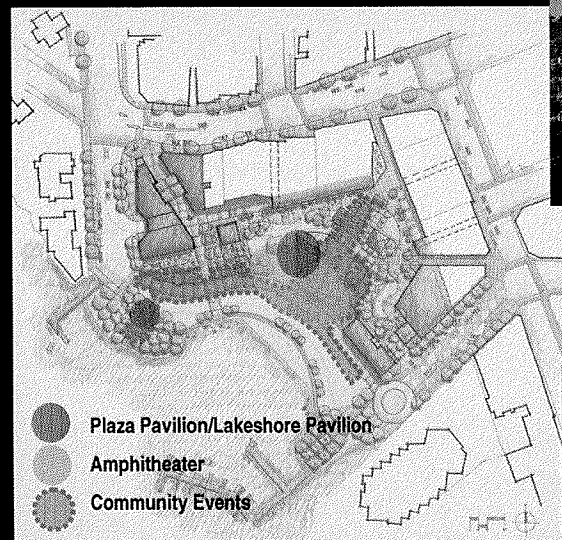
## Preferred Alternative – Enhanced Marina Park

Lakeshore Plaza  
@ Marina Park



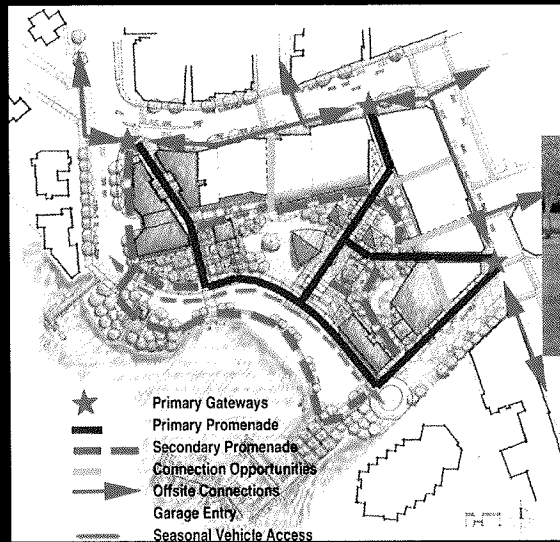
## Preferred Alternative – Places for Community

Lakeshore Plaza  
@ Marina Park



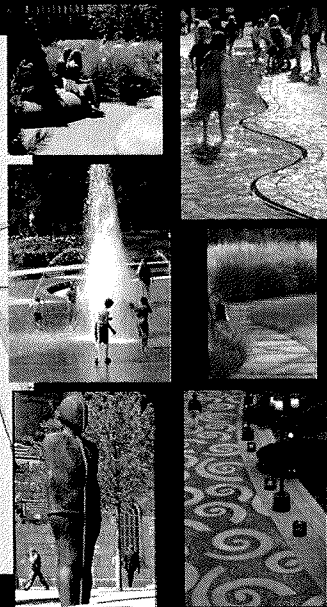
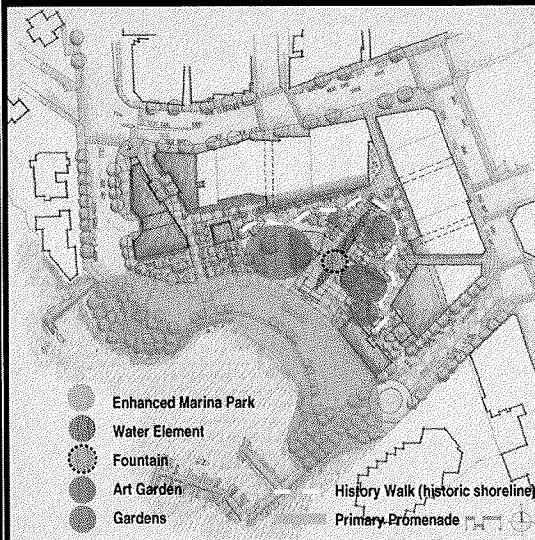
## Preferred Alternative – Circulation

Lakeshore Plaza  
@ Marina Park



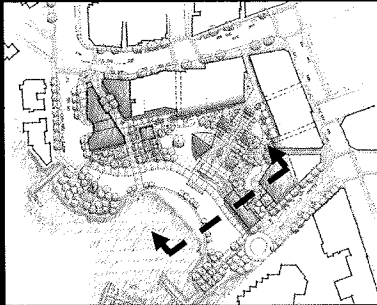
## Preferred Alternative – Primary Amenities

Lakeshore Plaza  
@ Marina Park

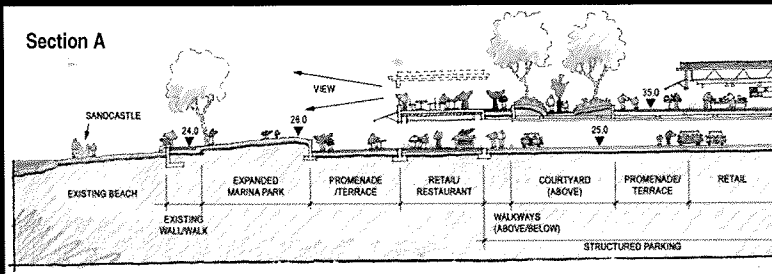


## Preferred Alternative – Section A

Lakeshore Plaza  
@ Marina Park

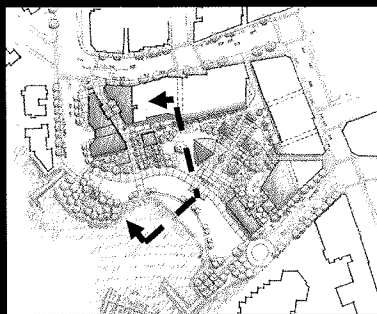


Section A

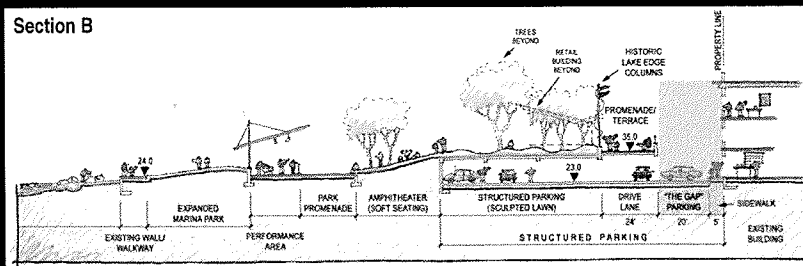


## Preferred Alternative – Section B

Lakeshore Plaza  
@ Marina Park



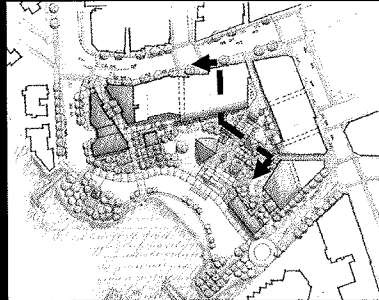
Section B



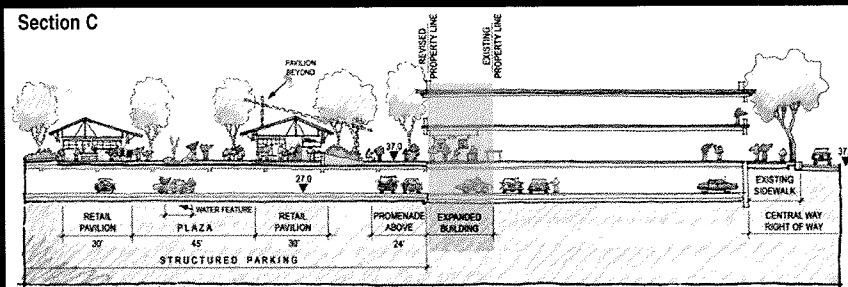


## Preferred Alternative – Section C

Lakeshore Plaza  
@ Marina Park



Section C



## Public Meeting #3 Summary

Lakeshore Plaza  
@ Marina Park

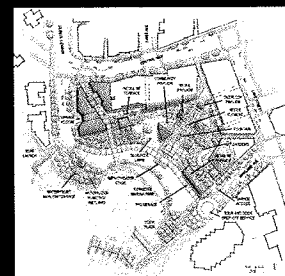


### Public Meeting Three Goal:

- Present and discuss preferred design alternative

### Public Meeting Three Findings:

- Favorite qualities –
  - Close-in covered parking that is hidden, natural qualities incorporated into design, large flexible gathering space, orientation to lake
- Suggested improvements-
  - Gateways - Park Lane connection, retain family orientation, many amphitheater suggestions, concern about construction impacts and increased use



Preferred alternative

## Financial Analysis

Lakeshore Plaza  
@ Marina Park



### Costs:

- Completed a "best case" and "conservative" analysis of the project
- Total project cost, both private and public elements, is \$26- 34 mill
- 75% is public cost (garage, plaza...), 25% private (commercial shell)
- Revenue = commercial rent & parking fees

| Item          | Best        | Conserv.   |
|---------------|-------------|------------|
| Public Impv.  | \$15.8 mill | \$20 mill  |
| Private Impv. | \$6 mill    | \$6.6 mill |
| Arts & Envn.  | \$2 mill    | \$3.5 mill |
| Finance Cost  | \$2.6 mill  | \$3.9 mill |
| Total         | \$26 mill   | \$34 mill  |

## Financial Analysis

Lakeshore Plaza  
@ Marina Park



### Revenue:

- Debt supported by revenue = \$17 - \$21 mill

| Source               | Best       | Conserv.  |
|----------------------|------------|-----------|
| Parking              | \$280 k    | \$232 k   |
| Commercial           | \$1 mill   | \$920 k   |
| New prop. Tax        | \$15 k     | \$15 k    |
| New sales tax        | \$136 k    | \$111 k   |
| Less plaza operating | (\$123 k)  | (\$193 k) |
| Total                | \$1.4 mill | \$1 mill  |

## Financial Analysis

Lakeshore Plaza  
@ Marina Park



### Conclusions:

- Revenue sources support \$17-21 mill of project financing
- Financing gap in this model is \$5 - \$16 million

|                          | Best       | Conserv     |
|--------------------------|------------|-------------|
| Uses                     | \$26 mill  | \$34 mill   |
| Sources                  | \$21 mill  | \$17 mill   |
| Other Finance req. (gap) | \$5.3 mill | \$16.4 mill |

## Financial Conclusions

Lakeshore Plaza  
@ Marina Park



- Private revenue exceeds cost of commercial elements in project
- Thus, commercial leases subsidize the cost of public facilities which don't carry their full weight, reducing cost to public for public facilities.
- Commercial space is the biggest variable – the greater the commercial space, the smaller the gap
- Multiple strategies to fill the gap (e.g. – lower project cost, increase revenue, private donations, private/public finance, public bond issue...)

## Summary Recommendation

Lakeshore Plaza  
@ Marina Park



- The project has strong public support
- The project appears to be financially viable
- Significant issues remain:
  - Adjoining private properties:
    - Code issues
    - Development partnership opportunities
    - Appropriate specificity of integrating design standards
  - Development and construction alternatives
  - Management structure for project, including role of adjoining owners
  - Need to affirm parking and retail demand/revenue projections
  - Evaluation of financing options
- Request authorization to commence next level of project planning
- Request project budget of \$150,000 for 2005 and \$50,000 for 2006

## Next steps

Lakeshore Plaza  
@ Marina Park






2004

- Incorporate design measures that reflect:
  - Code compliance
  - Needs of adjoining property owners
  - Design standards
  - Design input from arts and cultural community
- Market analysis for parking and retail
- Financing strategy
- Preliminary soils and engineering issues

2005

- Issue RFQ

|   | Next Steps  |  |
|---|---|--|
|  | <p>September</p> <ul style="list-style-type: none"><li>- Neighborhood Meetings</li></ul> <p>October</p> <ul style="list-style-type: none"><li>- DAT recommendation to City Council (10/19)</li></ul> <p>November</p> <ul style="list-style-type: none"><li>- 2005-2006 Budget request</li></ul> |  |

|   |  |
|---|--|
| <p>thank you.</p>   |  |
|---|--|

## 8.5 Code Analysis

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Kent,

It is my understanding that the goal is to identify the pertinent code related global questions which may substantially influence the planning & design of the project. At this stage, the emphasis is more on the definition of the 'right' questions and the direction of tasking the path to the answers.

Work within the Jurisdiction is regulated by the Municipal Code of Kirkland. The two most significant code sections are

- A) ZONING CODE Title 23
- B) BUILDING CODE - Buildings and Construction Title 21

You mentioned that the Land Use - Zoning Code issues had been already studied, they are not part of this search.

## BUILDING CODE

The State of Washington adopted the International Building Code 2003 edition with State Amendment as Chapter 51-50 Washington Administrative Code (WAC). City of Kirkland will be using this Code with local amendment (yet to be released) from July 1, 2004. Permit application submitted after that date are subject to this new Code. The difference between this upcoming new and the current Code is fairly significant and can significantly impact developments.

The Building Code (Code) integrates pertinent regulations from the Fire Code and local Fire Department as they are collectively covered under Buildings and Construction. The Building Department routes plans to the Fire Department for their separate review.

## ITEMIZED ISSUES AS RELATES TO THE PROPOSED DEVELOPMENT

- Some of the existing structures rely on public open space around them which may be partially blocked. The new adjacent buildings may render existing buildings non code compliant structure requiring action. This can be legal (easement, covenant, property boundary adjustment, purchase, etc.) or material change of structures, openings, fire protection, etc. It is to a large extent fire and exiting (life safety) issue. Public versus private ownership may influence available Code compliance methods.
- Access by the local Fire Department to the site(s) and different buildings may have several options. The level of this access is proportional to the restriction of the buildings in general. The more access, the more 'liberal' & less costly building. Again, their concerns will be organic part of the building department related responsibilities. Access is an important part of a larger equation.
- The uses (occupancy groups) of current and future buildings, their allowable areas, heights, number of stories, construction types (cost), their potential openness, locations, their physical adjacencies and connection limitations are all interrelated. In general, they are flexible, you change one and the balance of the equation will shift. This is the area with the most question marks and need for identifying and establishing interrelationships.
- The new building Code is more liberal than the current one, and it is likely to favorably impact the development. Along with that also comes the newness and untested nature of interpretations. Basically, several items known by all entities of the larger 'development team' players (developers, regulators, professionals, etc.) may need to be revisited.
- Accessibility (ADA and building code accessibility) of the buildings, structures and different part of sights will be an important and often difficult task. Identifying issues are more important then answers at this stage. Depending on the uses, may involve other several layers of issues.

Based on my past experience, I would highly recommend to conduct an initial, but comprehensive code study to discover how the development goals and proposal blend with methods of code compliance. It can severely change the cost or physical attributes of an otherwise well planned development. In my estimation, a limited scope code study would take about 12-16 hours to complete.

Thanks,

Tibor

Tibor Nagy AIA

GGLO

architecture | interior design | landscape architecture | planning and urban design

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(206) 902-5619 fax

[www.gglo.com](http://www.gglo.com)

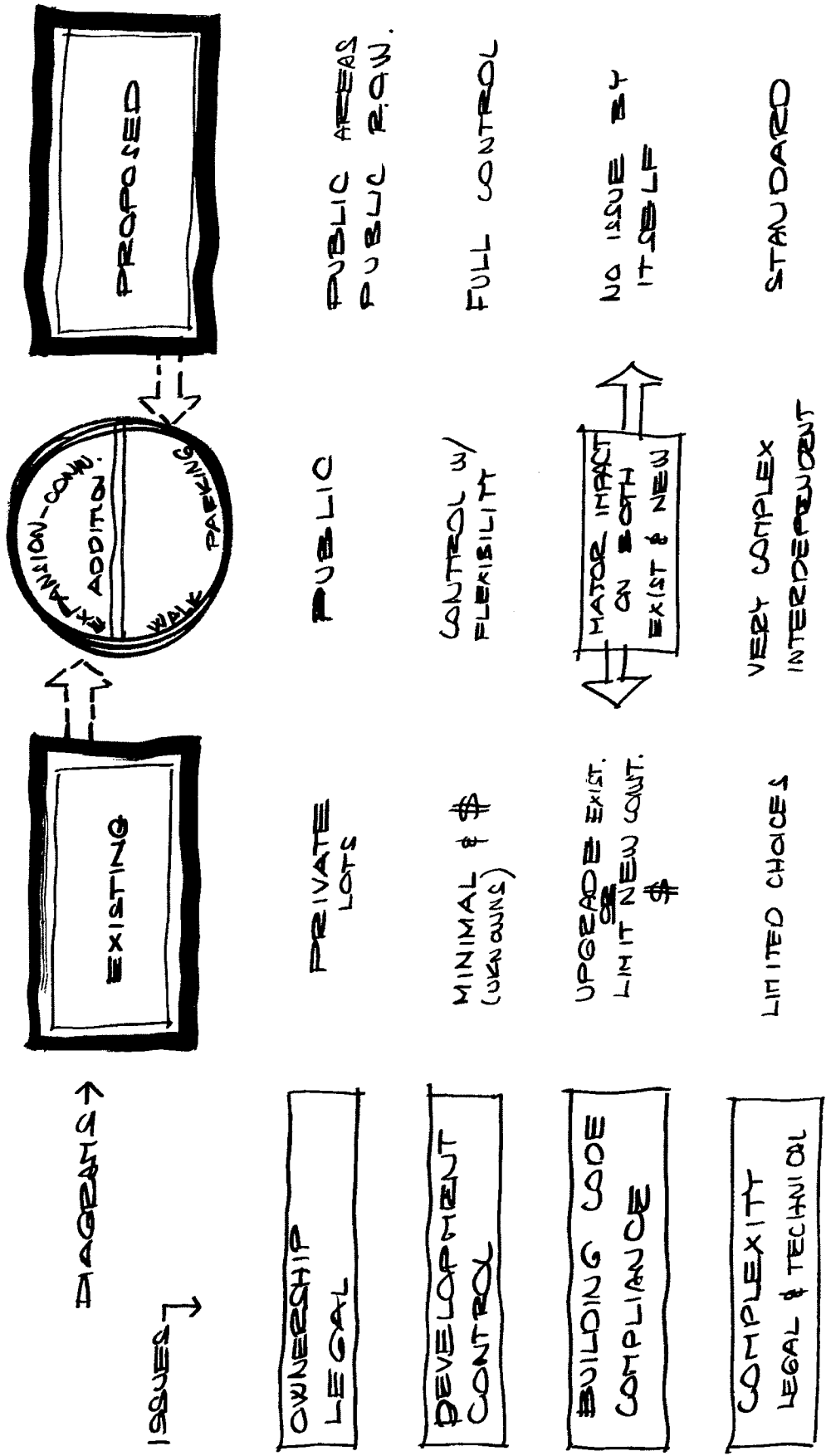


LAKE SHORE PLAZA AT MARINA PARK  
KREKLAND, WA

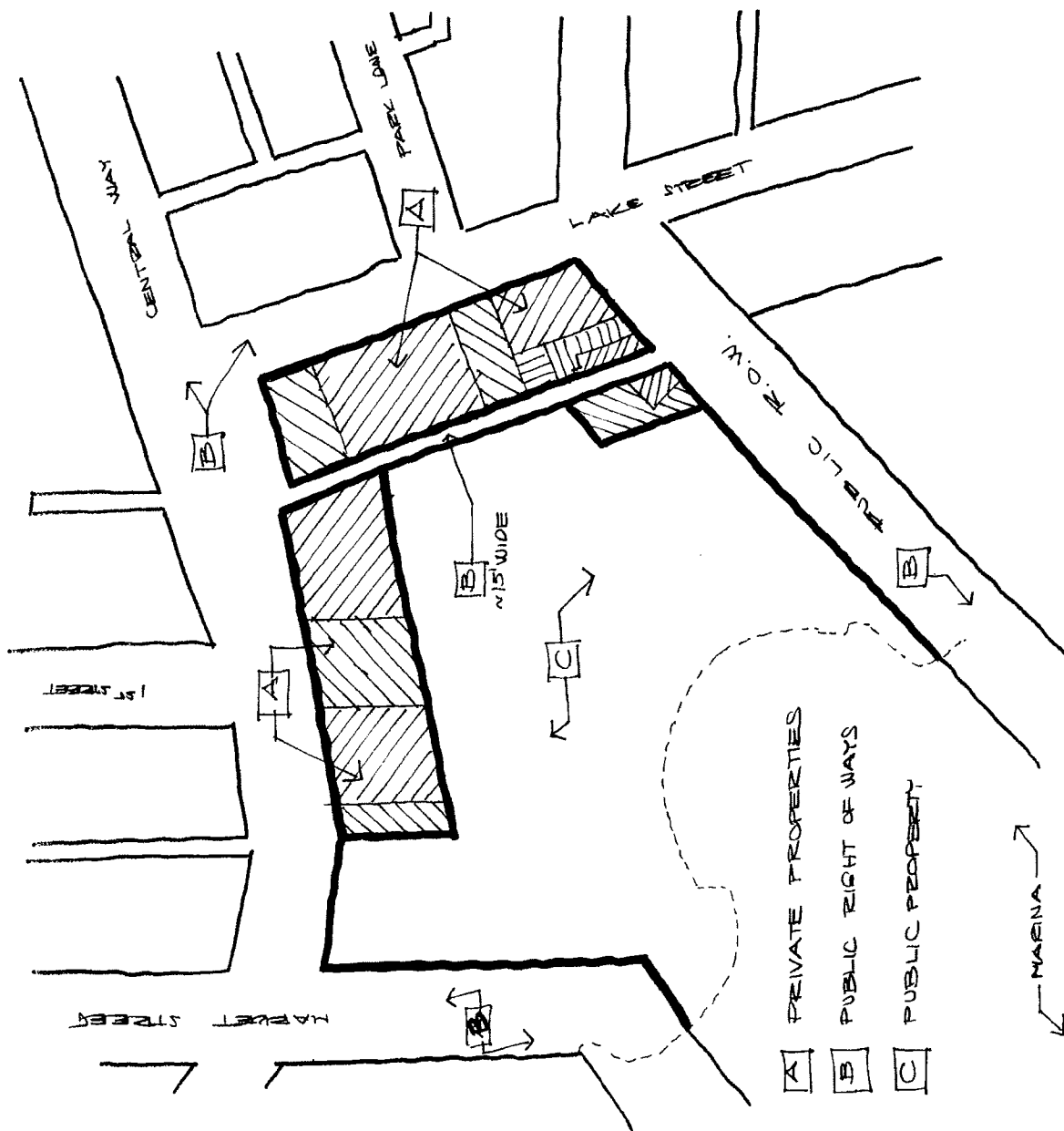
BUILDING CODE STUDY  
DEVELOPMENT

GOLO Taff

MAY 12, 2004



# BUILDING CODE RELATED ISSUES



# PROPERTY / OWNERSHIP DIAGRAM



# BUILDING CODE ITEMS

BUILDING CLASSIFICATION  
USE & OCCUPANCY

SEE SKETCHES FOR GENERAL CLASSIFICATION  
SEPARATIONS PER CHAPTER 3. SEVERAL OPTIONS, FLEXIBILITY.

TYPE OF CONSTRUCTION

SEE SKETCHES FOR GENERAL INFO.  
PARKING GARAGE: TYPE IA, OTHERS LOWEST POSSIBLE CLASS  
EXISTING BUILDINGS ASSIGNED TO BE TYPE VIB (USE V-N)  
TABLES 601 & 602.  
BOTH NEW AND EXISTING BUILDINGS TO BE SPECIALLED (NFPA 13)

ALLOWABLE FLOOR AREAS  
ALLOWABLE HEIGHT  
ALLOWABLE NO. OF STORIES

NEW TYPE IA: UNLIMITED AREA. EXISTING (IF EXPANDED) TO BE VERIFIED  
SEE SKETCHES FOR STORIES  
EXISTING STRUCTURES RETAIN SAME HEIGHT & STORY.  
NEW STRUCTURE HEIGHTS ARE NO CONCERNS (ESPECIALLY W/ SPRINKLER)  
SEE CHAPTER 5 OF IBC FOR DETAILS  
(IBC 508.2 DOES NOT APPLY DUE TO >300 OCCUPANT LOAD OF THE AMPHITHEATER)

LOCATION ON LOT

(OPENINGS, PROTECTION FIRE RATING)

IBC TABLE 602 FOR EXTERIOR WALL  
IBC 704 FOR EXTERIOR WALL  
704.2 ALLOWABLE AREA OF OPENING → SEE SKETCH STUDIES

EXITING

SEE SEPARATE SHEET

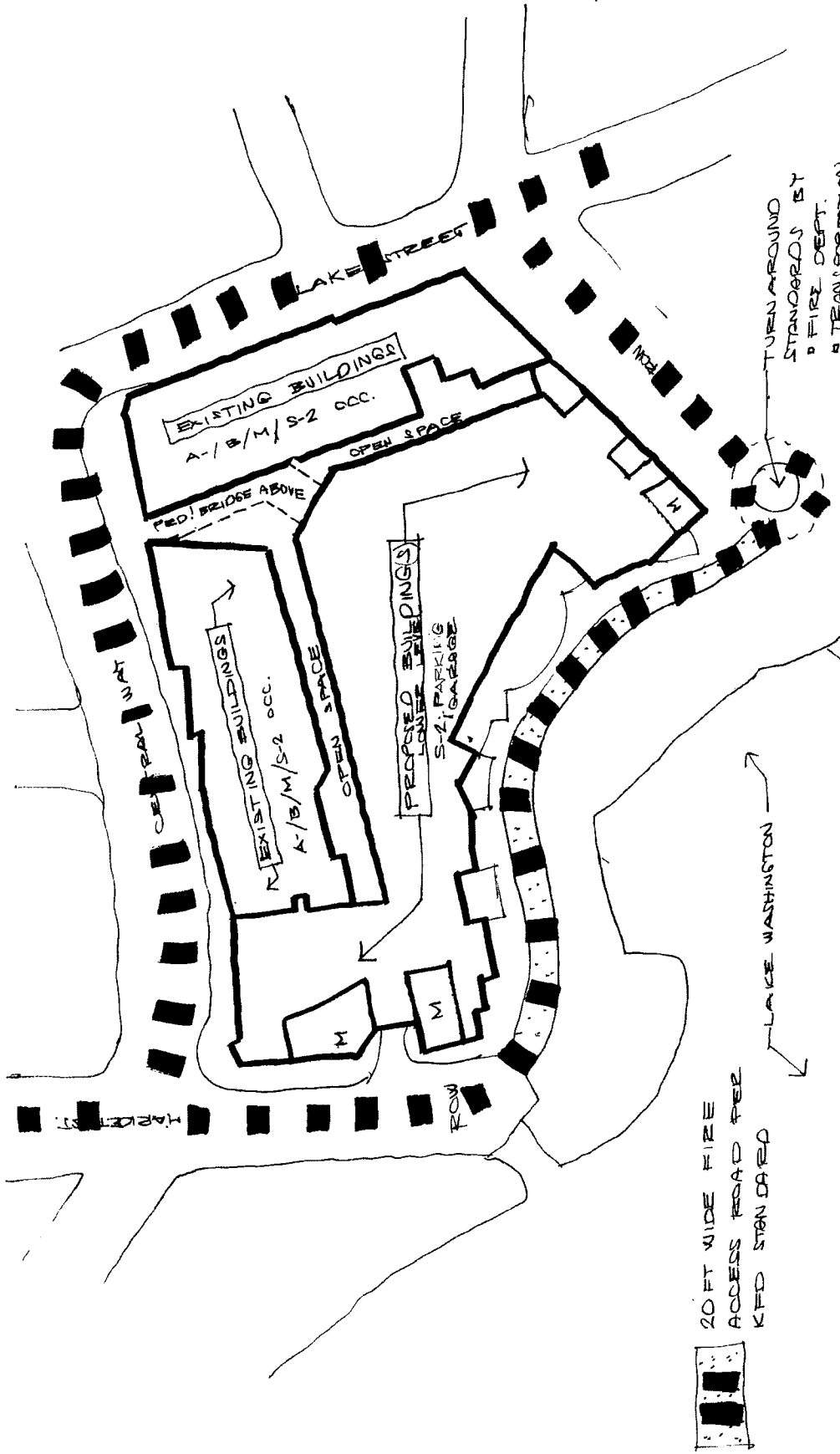
ACCESSIBILITY

SEE SEPARATE SHEET

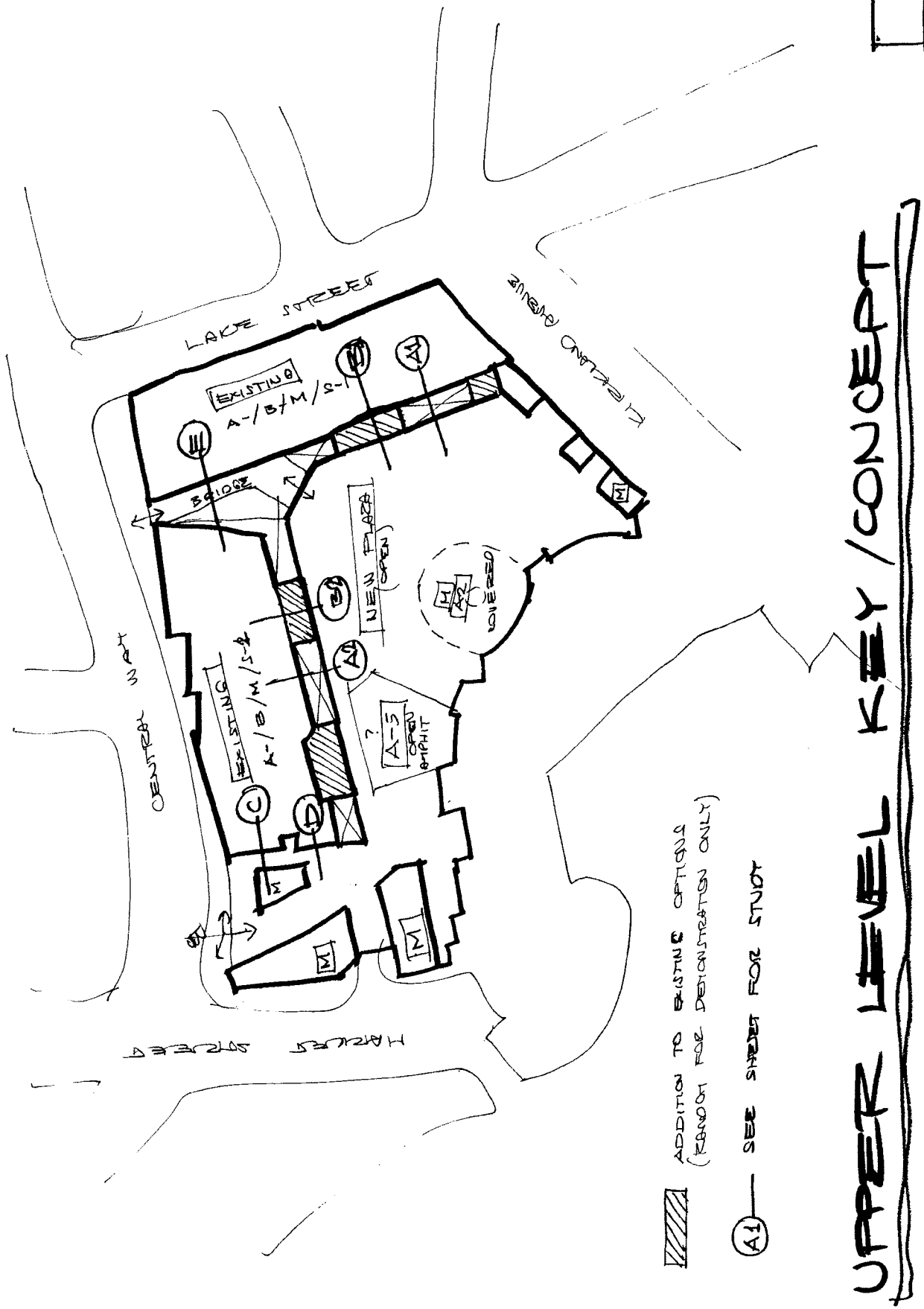
H150

PROTECTION RATING IBC SECTION 3104  
REINFORCEMENT INS. THE PUBLIC R.O.W. IBC CHAPTER 32  
EXISTING STRUCTURES IBC CHAPTER 34

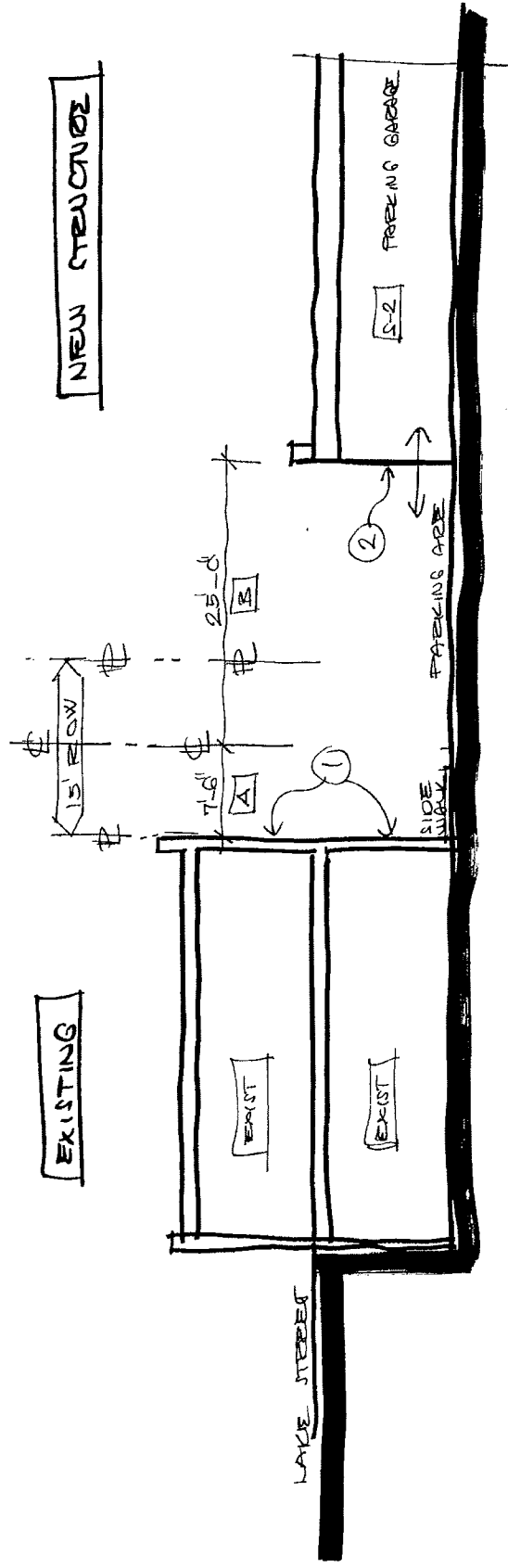




# FIRE DEPT. ACCESS STRUCTURE LOWER LEVEL STRUCTURE







1 EXISTING OPENINGS

ISSUE: FIRE SEPARATION DISTANCE IS TO THE  $\phi$  OF ROW. (ALLEY) 702  
CAN THE ROW WIDENED OR BOLD EMENT DEDICATED?

SIMILAR TO CONDITION AT A2 BUT A IS SET TO 7'-6" FROM  $\phi$  OF ALLEY  
ASSUMING FULL SPARKLING OF EXIST. BUDGS. ONLY 25% OF EXT. WALL MAY HAVE UNPROTECTED OPENINGS.  
EXISTING % IS NOT KNOWN BUT THE 25% MAY NOT BE ENOUGH.

2 NEW STRUCTURE

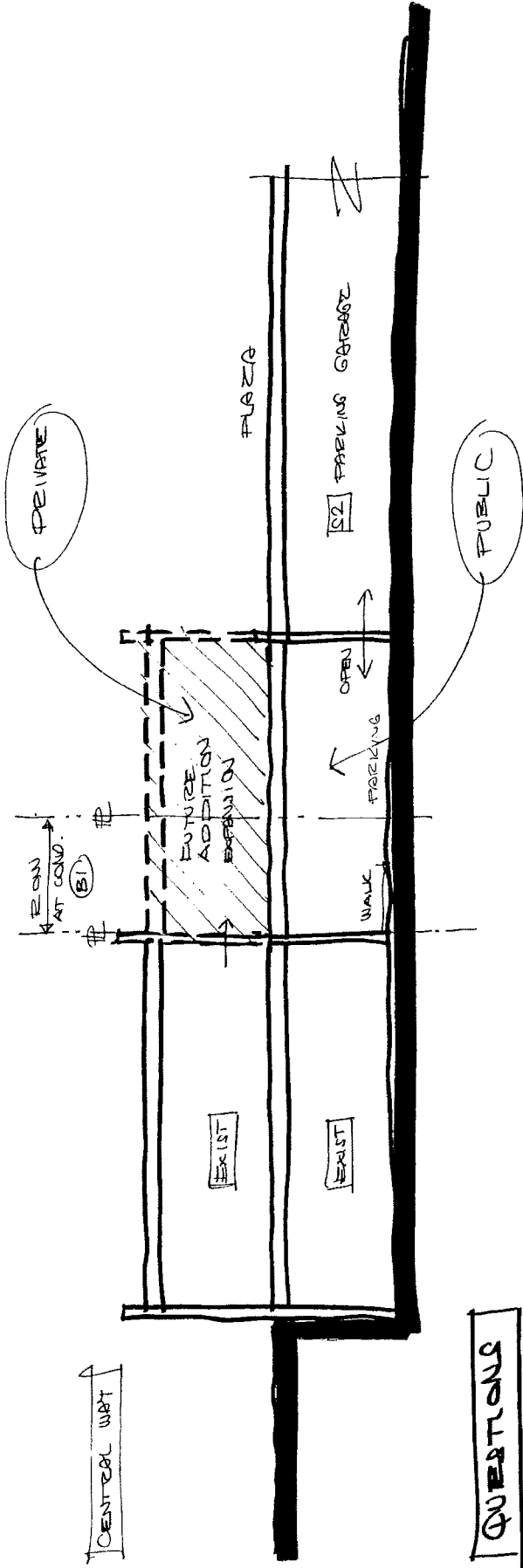
ISSUE: SAME AS NEW AT CONDITION A2

25'-0" FIRE DISTANCE FROM FACE OF NEW BUDGS TO  $\phi$  OF ALLEY GIVES UNLIMITED  
EXT. WALL OPENINGS (UNPROTECTED).

CONDITION AT SEE OPTION A1







## QUESTIONS

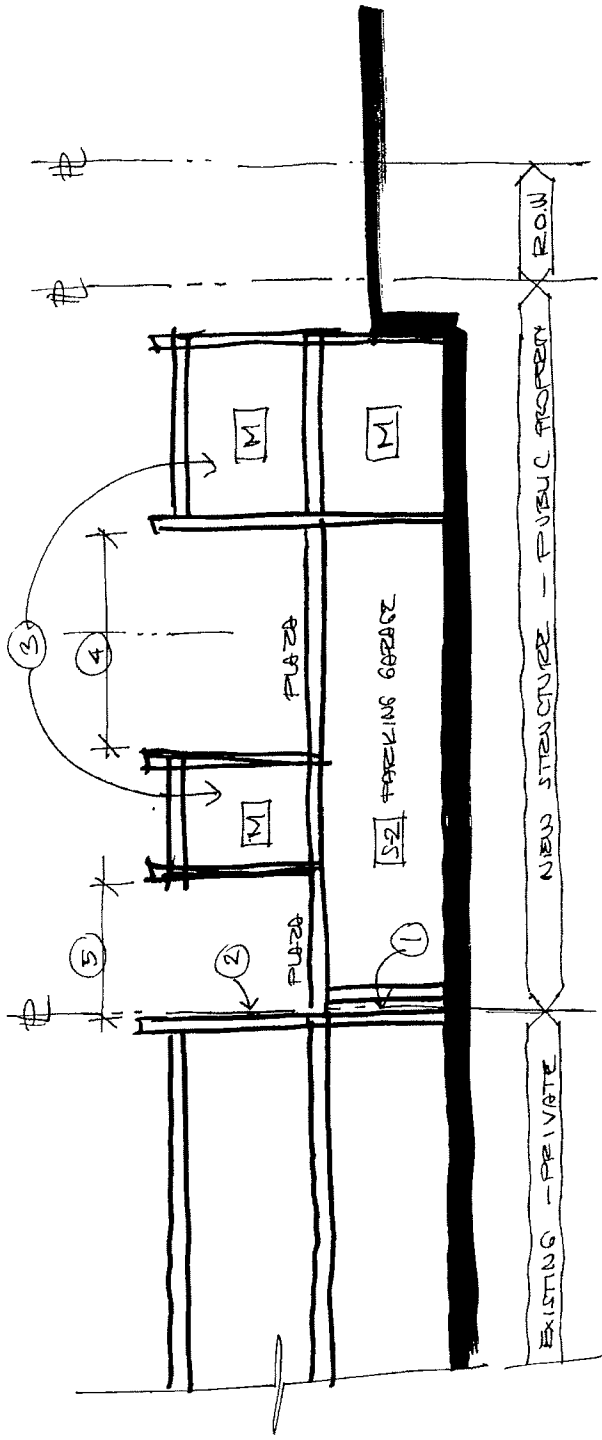
1. PRIVATE OVER PUBLIC STRUCTURES? — LEGAL, OWNERSHIP
2. WHERE ARE THE PROPERTY LINES? → CODE COMPLICATION
3. SEPARATE BUILDINGS (LEGAL & CODE SEUE) OR ONE (OR MORE) BUILDINGS WITH MIXED OCCUPANCIES? → MAJOR CODE ISSUES

## REMARKS

[A] TOO MANY VARIABLES FOR CODE (NON) COMPLIANCE OPTIONS → NO ATTEMPT TO DETAIL

[B] APPEARS TO BE 'NON COMPATIBLE' MATCH (PRIVATE - PUBLIC EXISTING - NEW COMBINATION)

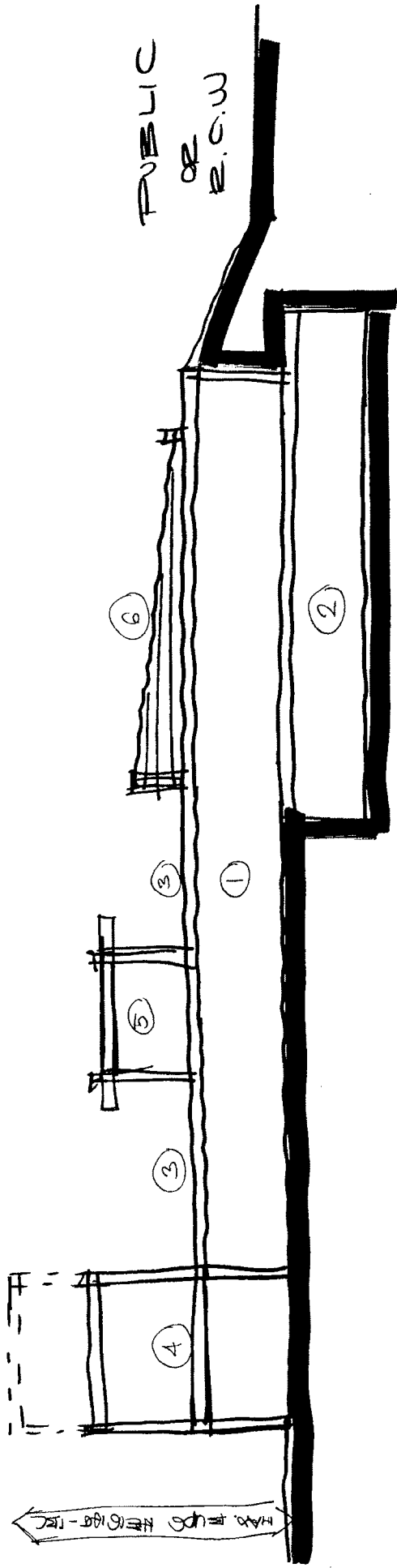
CONDITION AT SECTIONS B1 & B2



- ① NO OPENINGS ALLOWED — ANY OPENING FROM EXISTING LOWER LEVEL (DOOR, EXIT DOOR, WINDOW, VENT) NEEDS BE BE CONFIGURED
- ② NO OPENINGS ALLOWED — UNLESS LEGALLY GRANTED (PLAZA-OPEN SPACE, PUBLIC-ENTRANCE ?) SAME AS ①.
- ③ SEPARATE BUILDINGS OR ONE BUILDING WITH MIXED OCCUPANCIES (MORE LIKELY) ALLOWABLE OPENING
- ④ IBC TABLE 704.2 DISTANCE (FIRE SEP. TO ASSUMED PROP. LINE) ALLOWABLE OPENING
- ⑤ IBC TABLE 704.2 DISTANCE (FIRE SEP. TO ACTUAL PROP. LINE) ALLOWABLE OPENING

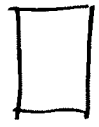
# CONDITION AT SECTION C





|   |     |                            |                                      |                          |             |
|---|-----|----------------------------|--------------------------------------|--------------------------|-------------|
| ① | S-2 | PARKING GARAGE             | OPEN OR ENCLOSED (TED)               | TYPE IA CONT.            | SPRINKLER   |
| ② | S-2 | BASEMENT PARKING GARAGE    | ENCLOSED                             | TYPE IA CONT.            | SPRINKLER   |
| ③ | A-? | LANDSCAPED PLAZA           | OPEN SPACE - FORTUITOUS OCCUPANCIES  |                          |             |
| ④ | M   | DETAIL                     | 1, 2 OR 3 STORY OCCUPANCIES ENCLOSED | LOWEST COMPARTMENT. TYPE | SPRINKLERED |
|   | A-2 | RESTAURANT                 |                                      |                          |             |
| ⑤ | A-2 | PAVILLION TYPE BOOVED ONLY | 1 STORY                              | TYPE V IS CONT.          |             |
| ⑥ | A-5 | AMPHITHEATER               | OPEN AIR - STAGE > 300 OCC. LOAD     | ?                        |             |

# SCHEMATIC USES - OCCUPANCIES - NEW ONLY



# EXITING

## EXISTING BUILDING CONDITIONS

- EXITS MAY NEED TO BE REARRANGED DUE TO NEW BUILDING LOCATION, OR PUBLIC SPACE

## EXPANSION OF EXISTING BUILDING

- CAN YOU EXIT THROUGH PUBLIC PLAZA? (UPPER LEVEL) FROM PRIVATE AREA.
- CAN YOU EXIT UNDER EXPANSION, NEXT TO 'OPEN' GARAGE (LOWER LEVEL)

## NEW BUILDING

- OPEN AMPHITHEATER > 500 OCCUPANT LOAD → 3 EXITS REQUIRED FROM PLAZA
- WHAT AREAS ARE DEDICATED TO BE SAFE - PUBLIC WAY? CAN IT BE THE SEACH AREA?
- REQUIRED EXITS TO BE ACCESSIBLE
- OCCUPANT LOADS TO BE DETERMINED BASED ON PROPOYALS - OCC. GROUP/SIZE/OLF
- FIRE CODES ROAD PIER SKETCH
- TRAVEL DISTANCE, NO. OF EXITS, EXIT SEPARATION, DEAD END, COMMON AREA OF TRAVEL, INTERVENING ROOM
- CAPACITY OF NEW BUILDING IS NOT LIMITED BY EXISTING CONSTRAINTS



# ACCESSIBILITY

- ADA (AMERICANS WITH DISABILITIES ACT) 1990
- WSBC CHAPTER 11 BC (WAC 51-50-005)

NEW STRUCTURES = SEE SKETCH (ELEVATOR, LIFT, RAMP)

ADA APPLIES THROUGHOUT — PUBLIC  
NOT ENFORCED BY JURISDICTION → D.O.T.

WSBC APPLIES THROUGHOUT  
ENFORCED BY JURISDICTION

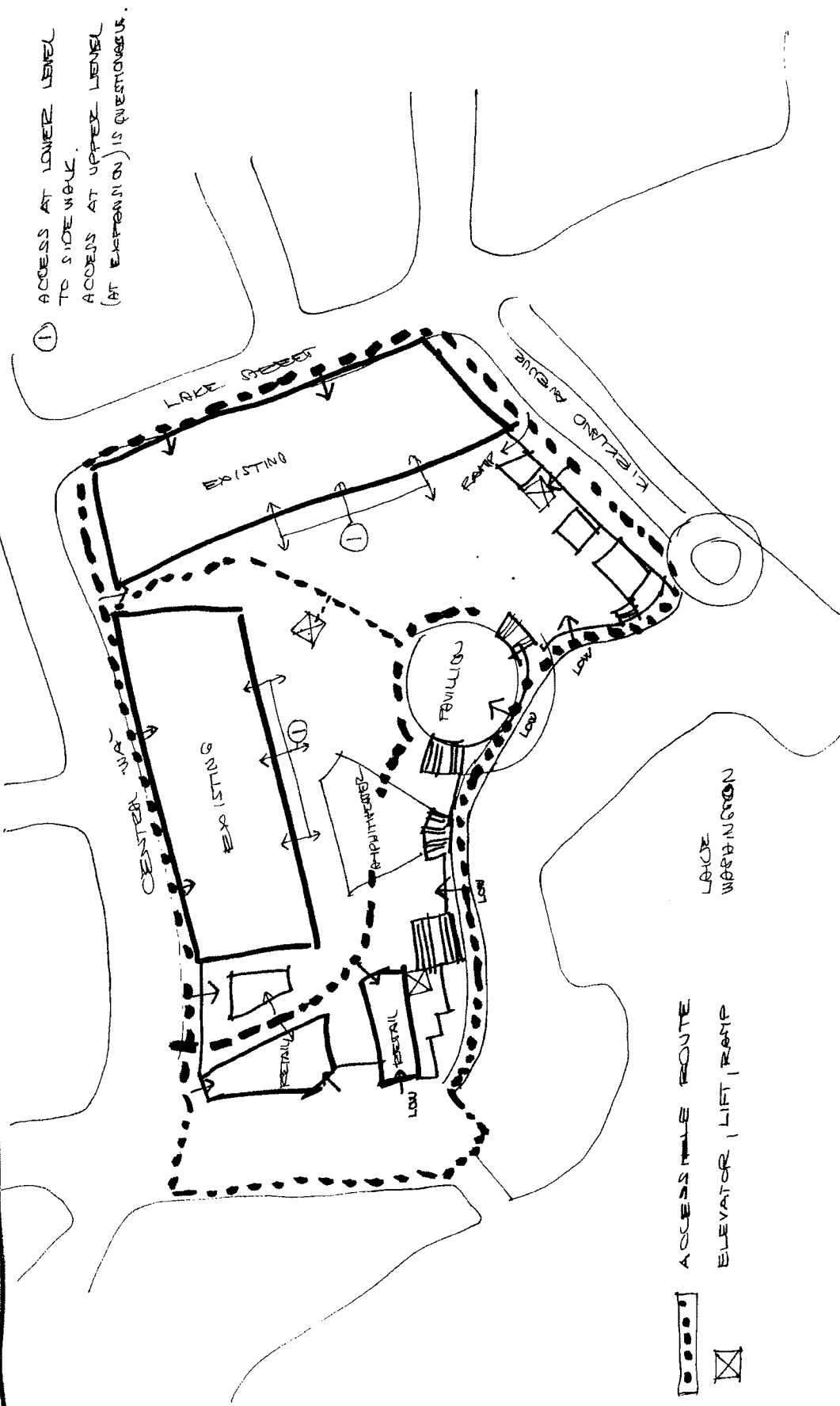
EXISTING STRUCTURES = SEE SKETCH

ADA APPLIES TO SPACES ACCESSIBLE TO THE GENERAL PUBLIC  
WSBC APPLIES THROUGHOUT

QUESTIONS: WHAT TRIGGERS ACCESSIBILITY REVIEW OF EXISTING? ADDITION, EXPANSION?  
IF EXISTING & NEW BUILDING CONNECTED CAN ACCESSIBLE ROUTES SHARED?  
REQUIRED EXITS (ACCESSIBLE) MAY NEED TO BE RECONFIGURED IN EXISTING BUILDINGS



# ASSESSABILITY



# SITE ACCESSIBILITY DIAGRAM

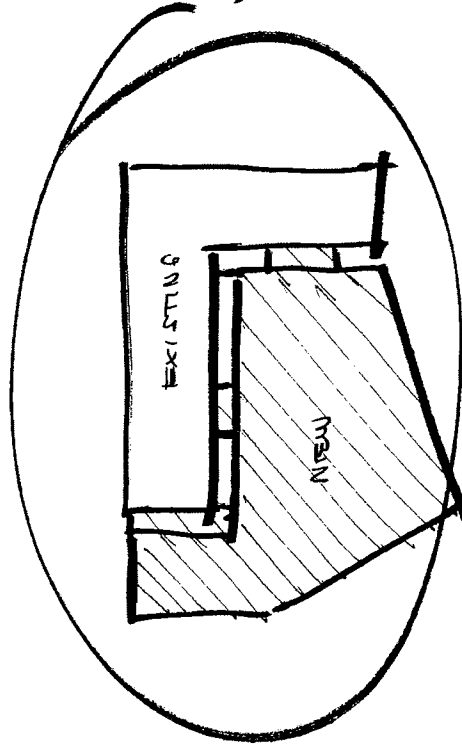


# THE STORY = CONCLUSIONS

## INTEGRATION

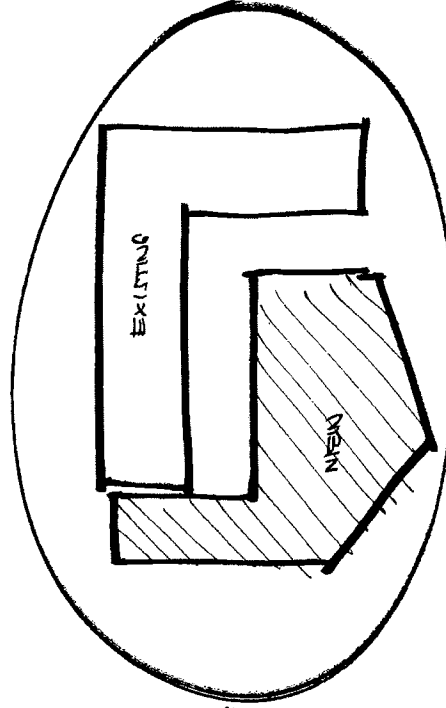
VERSUS

## SEPARATION



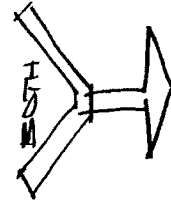
### CODE PUNISHES INTEGRATION

- THE CLOSER THEY GET, THE MORE DIFFICULT IT GETS TO COMPLY
- TRIGGERS SIGNIFICANT UPGRADES OF EXISTING STRUCTURES
- LEGAL ISSUES MAY COME UP
- MAXIMIZES DEVELOPABLE AREA

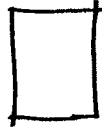


### CODE REWARDS SEPARATION

- THE FURTHER THEY APART, THE EASIER IT GETS...
- EXISTING MAY NEED MINIMAL UPGRADE
- GREAT AMOUNT OF FLEXIBILITY
- 'LOSS' OF 'DEVELOPABLE' AREA
- LOSS OF VISUAL ONE-NESS



WORKABLE



## 8.6 Pro Forma

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## Lakeshore Plaza Financial Analysis Assumptions Used

|   | BEST CASE            | CONSERVATIVE CASE    |
|---|----------------------|----------------------|
| INTEREST RATE. ASSUMED WILL BE GOVERNMENTAL BOND RATE | 5.00%                | 5.50%                |
| DEBT SERVICE TERM (30 YEARS)                          | 30                   | 30                   |
| QUANTITY OF NEW STALLS                                | 280                  | 280                  |
| QUANTITY NEW RETAIL - SF                              | 30,000               | 30,000               |
| COST TO BUILD/SF (core & shell only)                  | \$ 100.00            | \$ 110.00            |
| QUANTITY NEW RESTAURANT - SF                          | 10,000               | 10,000               |
| COST TO BUILD/SF (core & shell only)                  | \$ 110.00            | \$ 120.00            |
| CONSTRUCTION TIMELINE - MONTHS                        | 16                   | 18                   |
| CAPITAL COSTS WITHOUT FINANCING (1)                   | \$ 23,788,970        | \$ 30,123,983        |
| DEBT SERVICE RESERVE PERIOD - MONTHS                  | 6                    | 6                    |
| PROJECT FINANCING COSTS (2)                           | \$ 2,637,490         | \$ 3,865,498         |
| <b>TOTAL PROJECT COSTS-AMOUNT CAPITAL BONDS</b>       | <b>\$ 26,426,466</b> | <b>\$ 33,989,487</b> |
| ANNUAL DEBT SERVICE ON BONDS                          | \$ (1,719,080)       | \$ (2,211,065)       |
| NET AVAILABLE TO SERVICE DEBT (3)                     | \$ 1,376,052         | \$ 1,084,840         |
| DEBT SERVICE GAP                                      | \$ (343,028)         | \$ (1,126,225)       |

### CITY REVENUE PROJECTIONS: (4)

|                                       |               |               |
|---------------------------------------|---------------|---------------|
| RETAIL & RESTAURANT SALES REVENUE/SF  | \$ 400        | \$ 325        |
| PROJECTED ANNUAL SALES                | \$ 16,000,000 | \$ 13,000,000 |
| CITY PORTION OF SALES TAX 10% (.0085) | \$ 136,000    | \$ 110,500    |
| NEW PROPERTY TAX REVENUE              | \$ 15,000     | \$ 15,000     |

### Notes:

- (1) From Project Cost Summary Page
- (2) Includes 1.5% cost of financing, bond counsel, construction period payments, debt service reserve
- (3) Includes costs from Income Projections Sheet PLUS City Revenue Projections above
- (4) City Projections - Does NOT include proportionate share of increased revenue or property taxes from existing businesses around the project

# Lakeshore Plaza Financial Analysis

## Project Cost Summary<sup>(1)</sup>

| DESCRIPTION  | BASE CASE |                   | CONSERVATIVE CASE |                   |
|--|-----------|-------------------|-------------------|-------------------|
| PARKING GARAGE (total costs)                                     | \$        | 7,168,970         | \$                | 7,723,983         |
| NO OF STALLS   | \$        | 280               | \$                | 280               |
| COST PER STALL   | \$        | 25,603            | \$                | 27,586            |
| STRUCTURES - 5,000 SF PAVILION                                   | \$        | 870,000           | \$                | 1,000,000         |
| LANDSCAPING & IRRIGATION (50,000 SF)                             | \$        | 1,500,000         | \$                | 1,750,000         |
| PLAZA & HARD SCAPE 75,000 SF                                     | \$        | 2,800,000         | \$                | 3,300,000         |
| EXISTING BLDGS.-CODE COMPLIANCE COSTS                            | \$        | 1,000,000         | \$                | 1,500,000         |
| PROPERTY & EASEMENT ACQUISITIONS & PORTAL OPENING FOR PED ACCESS | \$        | 1,000,000         | \$                | 3,000,000         |
| ROADWAY & STREET IMPROVEMENTS 40,000 SF                          | \$        | 1,500,000         | \$                | 1,750,000         |
| SUBTOTAL   | \$        | 15,838,970        | \$                | 20,023,983        |
| SITE FF&E & INFRASTRUCTURE ART                                   | \$        | 2,000,000         | \$                | 2,500,000         |
| SUSTAINABILITY INITIATIVES                                       | \$        | -                 | \$                | 1,000,000         |
| SUBTOTAL   | \$        | 2,000,000         | \$                | 3,500,000         |
| TOTAL PUBLIC IMPROVEMENTS WITH NO FINANCING                      | \$        | 17,838,970        | \$                | 23,523,983        |
| RETAIL (FULL C/S BUILD OUT)                                      | \$        | 4,350,000         | \$                | 4,800,000         |
| RESTAURANT (FULL C/S BUILD OUT)                                  | \$        | 1,600,000         | \$                | 1,800,000         |
| SUBTOTAL   | \$        | 5,950,000         | \$                | 6,600,000         |
| <b>SUBTOTAL COSTS W/O FINANCING</b>                              | <b>\$</b> | <b>23,788,970</b> | <b>\$</b>         | <b>30,123,983</b> |
| COST OF FINANCING  | \$        | 2,637,490         | \$                | 3,865,498         |
| <b>TOTAL COSTS</b>   | <b>\$</b> | <b>26,426,460</b> | <b>\$</b>         | <b>33,989,481</b> |

|  |           |                   |           |                   |
|--|-----------|-------------------|-----------|-------------------|
| <b>TOTAL IMPROVEMENTS PUBLIC (2)</b>     | <b>\$</b> | <b>19,838,970</b> | <b>\$</b> | <b>26,523,983</b> |
| <b>TOTAL IMPROVEMENTS COMMERCIAL (3)</b> | <b>\$</b> | <b>6,587,490</b>  | <b>\$</b> | <b>7,476,981</b>  |

### Notes:

- (1) Each line item is a stand alone cost with all management taxes, contingencies, permits, fees, A/E costs included  
All costs are 2004 costs with no inflation added
- (2) Includes proportionate share of financing costs
- (3) Includes proportionate share of financing costs

## Lakeshore Plaza Financial Analysis

### Revenue Projection Assumptions

KEY: BEST CASE = HIGHER INCOME ASSUMPTIONS USED AND LOWER CONSTRUCTION COSTS

CONSERVATIVE CASE = LOWER INCOME ASSUMPTIONS USED AND HIGHER CONSTRUCTION COSTS

| <b><u>PARKING INCOME &amp; EXPENSES</u></b>  | <b>BASE CASE</b>    | <b>CONSERVATIVE CASE</b> |
|--|---------------------|--------------------------|
| GROSS MONTHLY REVENUE PER STALL (1)  | \$ 128.00           | \$ 115.00                |
| ANNUAL REVENUE PER STALL   | \$ 1,536            | \$ 1,380                 |
| NO. STALLS   | 280                 | 280                      |
| GROSS ANNUAL PARKING REVENUE   | \$ 430,080          | \$ 386,400               |
| ANNUAL OPERATING EXPENSES (2)  | \$ (150,528)        | \$ (154,560)             |
| NET ANNUAL PARKING INCOME  | \$ 279,552          | \$ 231,840               |
| <b><u>PLAZA PARK OPERATING EXPENSES (3)</u></b>  | <b>\$ (122,500)</b> | <b>\$ (192,500)</b>      |
| <br><b><u>RETAIL &amp; RESTAURANT INCOME &amp; EXPENSES</u></b>                                |                     |                          |
| TOTAL RETAIL SQUARE FEET   | 30,000              | 30,000                   |
| BLENDED NET LEASE RATES PER SF   | \$ 28.00            | \$ 24.00                 |
| ESTIMATED GROSS ANNUAL RETAIL INCOME   | \$ 840,000          | \$ 720,000               |
| TOTAL RESTAURANT SQUARE FEET   | \$ 10,000           | \$ 10,000                |
| BLENDED LEASE RATES PER SF   | \$ 30.00            | \$ 26.00                 |
| ESTIMATED GROSS ANNUAL RESTAURANT INCOME   | \$ 300,000          | \$ 260,000               |
| GROSS ANNUAL INCOME RESTAURANT & RETAIL  | \$ 1,140,000        | \$ 980,000               |
| LANDLORD OPERATING EXPENSES @ \$1.50/SF - \$1.80/SF  | \$ (72,000)         | \$ (60,000)              |
| NET RETAIL & RESTAURANT ANNUAL INCOME  | \$ 1,068,000        | \$ 920,000               |
| <b>COMBINED NET ANNUAL OPERATING REVENUES: GARAGE, RETAIL &amp; RESTAURANT - LESS EXPENSES</b> | <b>\$ 1,225,052</b> | <b>\$ 959,340</b>        |

Notes:

(1) Revenue per stall from City parking study

(2) Estimated based on comparables from other parking garages of this size (approximately 35% of gross revenues for low cost and 40% for high cost)

(3) Lakeshore Park Operating Expense Assumptions from City - low cost at 3500 MH @ \$35 and high cost at 5500 MH

**LAKESHORE PLAZA**  
**ESTIMATED CONSTRUCTION COSTS FOR PARKING STRUCTURE**

| <b>CONSTRUCTION HARD COSTS</b>   | <b>LOW COST</b> |                  | <b>HIGH COST</b> |                  |
|--|-----------------|------------------|------------------|------------------|
| NUMBER OF FLOORS   |                 | 1.5              |                  | 1.5              |
| NUMBER OF STALLS   |                 | 280              |                  | 280              |
| TOTAL SQUARE FEET OF GARAGE  |                 | 98,000           |                  | 98,000           |
| BUILDING & SITE DEMOLITION   | \$              | 75,000           | \$               | 80,000           |
| EARTHWORK  | \$              | 100,000          | \$               | 105,000          |
| TEMP ACCESS/ROADS  | \$              | 25,000           | \$               | 25,000           |
| CONTRACTOR PARKING/BUSING  | \$              | 48,000           | \$               | 50,000           |
| NEW SITE UTILITIES (WATER,WASTE,STORM,ELEC,GAS,COMMUN.)                              | \$              | 90,000           | \$               | 90,000           |
| EROSION CONTROL DURING CONST   | \$              | 60,000           | \$               | 60,000           |
| SUBSURFACE DRAINAGE  | \$              | 25,000           | \$               | 25,000           |
| RETAINING WALL & PAVING  | \$              | 80,000           | \$               | 85,000           |
| SITE CIRCULATION & SAFETY WALKWAYS   | \$              | 60,000           | \$               | 70,000           |
| TRAFFIC MITIGATION   | \$              | 60,000           | \$               | 60,000           |
| FOUNDATIONS  | \$              | 120,000          | \$               | 130,000          |
| SUBSTRUCTURE   |                 |                  |                  |                  |
| SLAB ON GRADE & RAMP WALLS   | \$              | 75,000           | \$               | 85,000           |
| FOUNDATION WALLS   | \$              | 280,000          | \$               | 300,000          |
| RETAINING WALLS  | \$              | 60,000           | \$               | 60,000           |
| MASS EXCAVATIONS & SHORING   | \$              | 290,000          | \$               | 300,000          |
| SUPERSTRUCTURE   |                 |                  |                  |                  |
| CIP CONCRETE, STEEL STAIRS   | \$              | 750,000          | \$               | 850,000          |
| RAMPS  | \$              | 95,000           | \$               | 120,000          |
| HIGH CAPACITY DECK AT GRADE  |                 |                  |                  |                  |
| MISC CONCRETE  | \$              | 80,000           | \$               | 85,000           |
| HOISTING   | \$              | 125,000          | \$               | 135,000          |
| WATERPROOFING  | \$              | 95,000           | \$               | 110,000          |
| EXTERIOR CLOSURE   | \$              | 140,000          | \$               | 180,000          |
| ROOFING  | \$              | 55,000           | \$               | 65,000           |
| SITE AMENITIES, SAFETY LIGHTS  | \$              | 55,000           | \$               | 65,000           |
| INTERIOR CONSTRUCTION  | \$              | 150,000          | \$               | 180,000          |
| ELEVATORS -2   | \$              | 215,000          | \$               | 225,000          |
| PLUMBING   | \$              | 85,000           | \$               | 85,000           |
| FIRE PROTECTION  | \$              | 80,000           | \$               | 85,000           |
| HVAC   | \$              | 90,000           | \$               | 95,000           |
| ELECTRICAL   | \$              | 190,000          | \$               | 220,000          |
| SECURITY   | \$              | 250,000          | \$               | 275,000          |
| <b>SUBTOTAL</b>  | <b>\$</b>       | <b>3,903,000</b> | <b>\$</b>        | <b>4,300,000</b> |
| GENERAL CONDITIONS @ 13%   |                 | 507,390          |                  | 559,000          |
| GC MARKUPS 7%  | \$              | 308,727          | \$               | 340,130          |
| PERFORMANCE BOND   | \$              | 225,000          | \$               | 200,000          |
| <b>CONSTRUCTION ONLY COSTS</b>   | <b>\$</b>       | <b>4,944,117</b> | <b>\$</b>        | <b>5,399,130</b> |
| (Note: These cost are construction only without contingencies, permits, fees, taxes) |                 |                  |                  |                  |
| <b>Construction Only Cost Per Stall</b>  | <b>\$</b>       | <b>17,658</b>    | <b>\$</b>        | <b>19,283</b>    |
| <b>Soft Costs: Contingency, Design, Permits, Fees, Taxes (45%)</b>                   | <b>\$</b>       | <b>2,224,853</b> | <b>\$</b>        | <b>2,324,853</b> |
| <b>Total Parking Garage Costs</b>  | <b>\$</b>       | <b>7,168,970</b> | <b>\$</b>        | <b>7,723,983</b> |
| <b>Cost per Stall</b>  | <b>\$</b>       | <b>25,603</b>    | <b>\$</b>        | <b>27,586</b>    |

**CITY KIRKLAND**  
**LAKE SHORE PLAZA**

**Comparison of Commercial Square Footage in Project**

| <b><u>Cost to Build</u></b>          | <b><u>LOWER SF</u></b> |                  | <b><u>HIGHER SF</u></b> |                  |
|--------------------------------------|------------------------|------------------|-------------------------|------------------|
| Square Footage                       |                        | 20,000           |                         | 30,000           |
| Core-Shell Build out costs           | \$                     | 110.00           | \$                      | 110.00           |
|                                      |                        |                  |                         |                  |
| Total Construction Costs             | \$                     | 2,200,000        | \$                      | 3,300,000        |
| Non-Construction costs               | \$                     | 990,000          | \$                      | 1,485,000        |
| Total Costs To Build                 | \$                     | 3,190,000        | \$                      | 4,785,000        |
| Financing Costs                      | \$                     | 366,850          | \$                      | 550,275          |
| Total Development Costs              | \$                     | 3,556,850        | \$                      | 5,335,275        |
| <b>Annual Debt Service</b>           | <b>\$</b>              | <b>(231,378)</b> | <b>\$</b>               | <b>(367,096)</b> |
|                                      |                        |                  |                         |                  |
| <b><u>Income To Service Debt</u></b> |                        |                  |                         |                  |
| Lease On C/S Space                   | \$                     | 28.00            | \$                      | 28.00            |
| Annual Gross Income                  |                        | 560,000          |                         | 840,000          |
| Operating Expenses                   |                        | (36,000)         |                         | (54,000)         |
| Net Available To Service Debt        |                        | 524,000          |                         | 786,000          |
| <b>(Deficit) / Surplus</b>           | <b>\$</b>              | <b>292,622</b>   | <b>\$</b>               | <b>418,904</b>   |

Lakeshore Plaza  
Debt Calculations

Parking Structure

|   |    |                |    |               |
|---|----|----------------|----|---------------|
| Net Parking Revenues after expenses (include<br>park plaza operating expenses | \$ | 157,052.00     | \$ | 39,340.00     |
| Amount of Public Debt this will cover   | \$ | 2,400,000.00   | \$ | 575,000.00    |
| Annual Payment  |    | (\$156,123.44) |    | (\$39,563.10) |

Retail/Restaurant

|   |    |              |    |             |
|---|----|--------------|----|-------------|
| Net Retail/Restaurant Revenues            | \$ | 1,068,000.00 | \$ | 920,000.00  |
| Retail/Rest Development Costs             | \$ | 6,587,490    | \$ | 7,476,981   |
| Financing Costs                           |    | (\$428,526)  |    | (\$514,457) |
| Amount of Funds Left To Cover Public Debt |    | \$639,474    |    | \$405,543   |
| Amount of Public Debt this will cover     | \$ | 9,500,000    | \$ | 6,000,000   |
| Financing Costs                           |    | (\$617,989)  |    | (\$412,832) |

Taxes

|   |    |             |    |             |
|---|----|-------------|----|-------------|
| Amount of New Taxes To City from this project | \$ | 151,000     | \$ | 125,500     |
| Amount of Public Debt this will cover         | \$ | 2,300,000   | \$ | 1,800,000   |
| Financing Costs                               |    | (\$149,618) |    | (\$123,850) |